

# 2012 LaGrange County Property Tax Report with Comparison to 2011

Legislative Services Agency

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This report describes property tax changes in LaGrange County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In LaGrange County the average tax bill for all taxpayers increased 3.8%. This tax bill rise was mainly the result of the 4.1% increase in the tax levy of all local government units. Certified net assessed value rose by 1.5%. Agricultural net assessments increased; other assessment categories saw little change. Levy growth exceeded the net assessed value increase, so the average tax rate rose. Tax rates increased in all taxing districts. Circuit breaker credits as a percent of the levy increased slightly in LaGrange County in 2012.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	3.8%	\$24,437,800	\$1,899,705,823	1.1%
Change		4.1%	1.5%	0.2%
2011	3.2%	\$23,468,727	\$1,871,278,507	0.9%

## Homestead Property Taxes

Homestead property taxes increased 2.7% on average in LaGrange County in 2012. Tax rates in all LaGrange County tax districts decreased, and the county average tax rate rose 2.6%. The percentage of LaGrange County homesteads at their tax caps was almost unchanged, 1.5% in 2011 and 1.4% in 2012. LaGrange County's local homestead credit rate was nearly unchanged as well.

### Comparable Homestead Property Tax Changes in LaGrange County

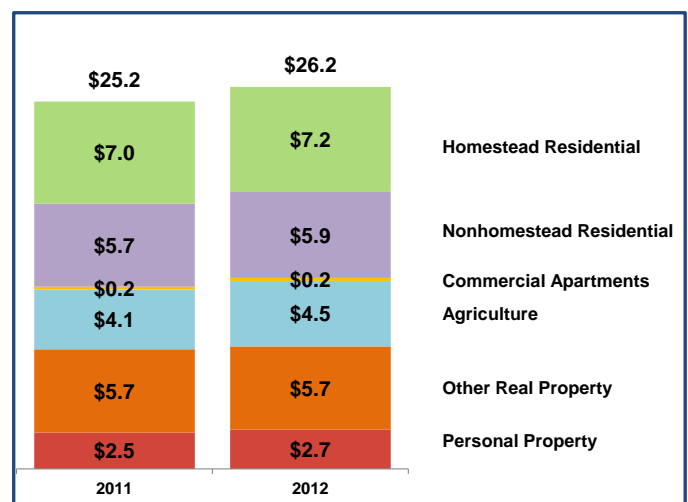
	2011 to 2012	
	Number of Homesteads	% Share of Total
<b>Summary Change in Tax Bill</b>		
Higher Tax Bill	6,337	71.6%
No Change	91	1.0%
Lower Tax Bill	2,426	27.4%
<b>Average Change in Tax Bill</b>	<b>2.7%</b>	
<b>Detailed Change in Tax Bill</b>		
20% or More	234	2.6%
10% to 19%	146	1.6%
1% to 9%	5,957	67.3%
0%	91	1.0%
-1% to -9%	1,994	22.5%
-10% to -19%	307	3.5%
-20% or More	125	1.4%
<b>Total</b>	<b>8,854</b>	<b>100.0%</b>

Note: Percentages may not total due to rounding.

## Net Tax Bill Changes - All Property Types

LaGrange County's net property taxes were spread among business owners (other real and personal property), homeowners, nonhomestead residential property owners (mainly small rentals and second homes), and agricultural property owners. Net tax bills for all taxpayers increased 3.8% in LaGrange County in 2012. Net taxes were higher for homesteads, agriculture, nonhomestead residential, and business personal property. Taxes were nearly unchanged for commercial apartments and business real property.

### Comparison of Net Property Tax by Property Type (In Millions)



## Tax Rates, Levies, and Assessed Values

Property tax rates increased in all LaGrange County tax districts. The average tax rate rose by 2.6%, because the levy increase exceeded the increase in net assessed value.

Levies in LaGrange County increased by 4.1%. The largest levy increase was in the county unit, due to an increase in the jail lease rental fund levy. Westview School Corporation experienced decreases in its bus replacement, capital projects, and debt service funds.

LaGrange County's total net assessed value increased 1.6% in 2012. Agricultural net assessments rose 7.7%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Combined nonagricultural net assessments were almost unchanged, increasing 0.3%. This sluggish increase may be a lingering effect of the Great Recession.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$1,407,424,955	\$1,411,970,172	0.3%	\$659,931,986	\$662,889,005	0.4%
Other Residential	503,974,600	507,537,200	0.7%	502,222,812	505,797,092	0.7%
Ag Business/Land	357,209,507	385,330,408	7.9%	356,763,047	384,395,280	7.7%
Business Real/Personal	547,041,829	549,118,250	0.4%	470,739,348	468,801,071	-0.4%
<b>Total</b>	<b>\$2,815,650,891</b>	<b>\$2,853,956,030</b>	<b>1.4%</b>	<b>\$1,989,657,193</b>	<b>\$2,021,882,448</b>	<b>1.6%</b>

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

## Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in LaGrange County were \$297,388, or 1.1% of the levy. This was much less than the state average percentage of the levy of 9.2% and less than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and LaGrange County's tax rates were much less than the state median.

More than two-thirds of the total tax cap credits were in the 2% nonhomestead/farmland category. The largest percentage losses were in the town of Topeka, where district tax rates were above \$3 per \$100 assessed value and in the town of LaGrange where the tax rates are above \$2. The largest dollar losses were in the towns of Topeka and LaGrange.

## Tax Cap Credits by Category

Tax cap credits increased in LaGrange County in 2012 by \$69,687, or 30.6%. The percentage of the levy lost to credits rose by 0.2%. There were no major changes in state policy to affect tax cap credits in 2012. LaGrange County credits increased mainly because district tax rates increased.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$27,892	\$29,018	\$1,126	4.0%
2%	188,535	214,943	26,408	14.0%
3%	0	42,453	42,453	--
<b>Elderly</b>	11,274	10,974	-301	-2.7%
<b>Total</b>	\$227,701	\$297,388	\$69,687	30.6%
<b>% of Levy</b>	0.9%	1.1%		0.2%

### LaGrange County Levy Comparison by Taxing Unit

Taxing Unit						% Change			
	2008	2009	2010	2011	2012	2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
<i>County Total</i>	37,055,992	23,103,330	23,138,574	23,468,727	24,437,800	-37.7%	0.2%	1.4%	4.1%
State Unit	52,592	0	0	0	0	-100.0%			
LaGrange County	7,031,965	5,123,430	5,010,886	5,140,402	6,464,700	-27.1%	-2.2%	2.6%	25.8%
Bloomfield Township	98,141	94,549	97,750	98,943	94,093	-3.7%	3.4%	1.2%	-4.9%
Clay Township	81,251	77,148	79,015	80,440	81,295	-5.0%	2.4%	1.8%	1.1%
Clearspring Township	57,140	53,363	54,008	53,993	54,122	-6.6%	1.2%	0.0%	0.2%
Eden Township	65,375	60,308	61,930	62,396	62,668	-7.8%	2.7%	0.8%	0.4%
Greenfield Township	26,976	27,848	28,802	28,878	28,614	3.2%	3.4%	0.3%	-0.9%
Johnson Township	111,991	112,695	115,125	117,452	119,668	0.6%	2.2%	2.0%	1.9%
Lima Township	73,481	73,952	73,150	73,266	74,019	0.6%	-1.1%	0.2%	1.0%
Milford Township	57,482	59,257	61,322	61,256	63,561	3.1%	3.5%	-0.1%	3.8%
Newbury Township	129,689	127,051	126,658	85,619	86,687	-2.0%	-0.3%	-32.4%	1.2%
Springfield Township	19,859	20,717	21,425	21,433	22,220	4.3%	3.4%	0.0%	3.7%
Van Buren Township	47,316	44,515	45,733	45,150	45,379	-5.9%	2.7%	-1.3%	0.5%
LaGrange Civil Town	958,209	988,172	1,026,828	1,052,544	1,086,390	3.1%	3.9%	2.5%	3.2%
Shipshewana Civil Town	690,318	705,285	732,884	756,434	779,771	2.2%	3.9%	3.2%	3.1%
Topeka Civil Town	672,291	751,411	744,983	800,051	830,792	11.8%	-0.9%	7.4%	3.8%
Wolcottville Civil Town	117,961	127,225	133,486	139,865	141,041	7.9%	4.9%	4.8%	0.8%
Prairie Heights Community School Corp	3,574,761	1,833,057	1,738,027	1,608,915	1,546,154	-48.7%	-5.2%	-7.4%	-3.9%
Westview School Corp	12,749,850	7,250,174	6,888,774	7,107,704	6,778,435	-43.1%	-5.0%	3.2%	-4.6%
Lakeland School Corp	9,675,005	4,807,885	4,673,143	4,934,497	4,746,498	-50.3%	-2.8%	5.6%	-3.8%
LaGrange County Public Library	495,240	518,828	1,225,725	982,421	1,105,628	4.8%	136.2%	-19.8%	12.5%
Northeast Indiana Solid Waste Mgmt Dist	177,497	186,931	198,920	217,068	226,065	5.3%	6.4%	9.1%	4.1%
LaGrange Town Redevelopment Comm	26,380	0	0	0	0	-100.0%			
Shipshewana Redevelopment Commission	57,244	59,529	0	0	0	4.0%	-100.0%		
LaGrange County Redevelopment Comm	7,978	0	0	0	0	-100.0%			
Topeka Redevelopment Commission	0	0	0	0	0				

### LaGrange County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
44001	Bloomfield Township	1.0876	--	--	8.5730%	--	--	--	0.9944
44002	LaGrange Town	2.3523	--	--	8.5730%	--	--	--	2.1506
44003	Clay Township-West	1.2738	--	--	8.5730%	--	--	--	1.1646
44004	Clay Township-East	1.0935	--	--	8.5730%	--	--	--	0.9998
44005	Clearspring Township	1.2415	--	--	8.5730%	--	--	--	1.1351
44006	Topeka Town-Clearspring Township	3.0909	--	--	8.5730%	--	--	--	2.8259
44007	Eden Township	1.2450	--	--	8.5730%	--	--	--	1.1383
44008	Topeka Town-Eden Township	3.0862	--	--	8.5730%	--	--	--	2.8216
44009	Greenfield Township	1.0677	--	--	8.5730%	--	--	--	0.9762
44010	Johnson Township	1.0653	--	--	8.5730%	--	--	--	0.9740
44011	Wolcottville Town	2.2554	--	--	8.5730%	--	--	--	2.0620
44012	Lima Township	1.0892	--	--	8.5730%	--	--	--	0.9958
44013	Milford Township	0.9871	--	--	8.5730%	--	--	--	0.9025
44014	Newbury Township	1.2462	--	--	8.5730%	--	--	--	1.1394
44015	Shipshewana Town	2.3726	--	--	8.5730%	--	--	--	2.1692
44016	Springfield Township	1.0108	--	--	8.5730%	--	--	--	0.9241
44017	Van Buren Township	1.2412	--	--	8.5730%	--	--	--	1.1348
44018	LaGrange-Clay	2.3442	--	--	8.5730%	--	--	--	2.1432
44019	Twp Topeka-Eden Farm	1.2144	--	--	8.5730%	--	--	--	1.1103

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

### LaGrange County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	27,084	181,083	19,217	10,974	238,358	24,437,800	1.0%
<i>TIF Total</i>	1,934	33,860	23,236	0	59,030	2,450,356	2.4%
<i>County Total</i>	29,018	214,943	42,453	10,974	297,388	26,888,156	1.1%
LaGrange County	3,445	24,451	2,118	2,583	32,597	6,464,700	0.5%
Bloomfield Township	43	1,327	0	85	1,455	94,093	1.5%
Clay Township	6	21	0	18	45	81,295	0.1%
Clearspring Township	41	141	18	9	209	54,122	0.4%
Eden Township	17	23	29	5	75	62,668	0.1%
Greenfield Township	0	0	0	4	4	28,614	0.0%
Johnson Township	2	45	0	53	100	119,668	0.1%
Lima Township	0	0	0	70	70	74,019	0.1%
Milford Township	0	0	0	23	23	63,561	0.0%
Newbury Township	32	117	0	15	165	86,687	0.2%
Springfield Township	0	0	0	10	10	22,220	0.0%
Van Buren Township	2	0	0	11	13	45,379	0.0%
LaGrange Civil Town	1,555	48,873	0	1,885	52,313	1,086,390	4.8%
Shipshewana Civil Town	3,559	15,717	0	508	19,784	779,771	2.5%
Topeka Civil Town	9,661	30,881	11,651	222	52,414	830,792	6.3%
Wolcottville Civil Town	180	4,664	0	35	4,879	141,041	3.5%
Prairie Heights Community School Corp	0	0	0	578	578	1,546,154	0.0%
Westview School Corp	6,994	24,007	4,965	1,284	37,250	6,778,435	0.5%
Lakeland School Corp	837	25,781	0	3,044	29,661	4,746,498	0.6%
LaGrange County Public Library	589	4,182	362	442	5,575	1,105,628	0.5%
Northeast Indiana Solid Waste Mgmt Dist	120	855	74	90	1,140	226,065	0.5%
LaGrange Town Redevelopment Commission	0	0	0	0	0	0	
Shipshewana Redevelopment Commission	0	0	0	0	0	0	
LaGrange County Redevelopment Commission	0	0	0	0	0	0	
Topeka Redevelopment Commission	0	0	0	0	0	0	
TIF - Bloomfield Township	0	0	0	0	0	48,629	0.0%
TIF - LaGrange Town	0	130	0	0	130	205,179	0.1%
TIF - Clay East Township	0	0	0	0	0	4,173	0.0%
TIF - Eden Township	0	0	0	0	0	0	
TIF - Topeka Eden Corp	1,809	30,166	23,236	0	55,211	1,207,428	4.6%
TIF - Lima Township	0	0	0	0	0	227,203	0.0%
TIF - Milford Township	0	0	0	0	0	2,866	0.0%
TIF - Newbury Township	0	0	0	0	0	105,726	0.0%
TIF - Shipshewana Town	125	3,565	0	0	3,690	649,152	0.6%
TIF - Twp Topeka-Eden Farm	0	0	0	0	0	0	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

#### Circuit Breaker Credit Types:

*Homesteads* are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

*Other Residential/Farmland* includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

*All Other Real/Personal* is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

*Elderly* includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over. The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.